

Russell 2000 Futures Volatility Compass Index Series

v1.0

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Section 1

Introduction

1. Introduction

- 1.1 This document sets out the Ground Rules for the construction and management of the Russell 2000 Futures Volatility Compass Index Series.
- 1.2 The Russell 2000 Futures Volatility Compass Index Series (each an "**Index**" and collectively the "**Indices**") represents the performance of an investment strategy that provides variable exposure to the E-mini Russell 2000 future contracts, while targetting a specified level of volatility. It uses an intraday volatility control mechanism with the exposure to the listed future contract decreasing or increasing (subject to a cap) during the day and applies a trend signal derived from the delta of hypothetical put spread. Certain indices include a transaction cost adjustment.
- 1.3 The Index Series will be calculated on an end of day basis.
- 1.4 The Index Series does not take account of ESG factors in its index design.
- 1.5 **FTSE Russell**
- 1.6 FTSE Russell hereby notifies users of the Index that it is possible that circumstances, including external events beyond the control of FTSE Russell, may necessitate changes to, or the cessation of, the Index and therefore, any financial contracts or other financial instruments that reference the Index or investment funds which use the Index to measure their performance should be able to withstand, or otherwise address the possibility of changes to, or cessation of, the Index.
- 1.7 Index users who choose to follow this Index or to buy products that claim to follow this Index should assess the merits of the Index' rules-based methodology and take independent investment advice before investing their own or client funds. No liability whether as a result of negligence or otherwise is accepted by FTSE Russell for any losses, damages, claims and expenses suffered by any person as a result of:
 - any reliance on these Ground Rules, and/or
 - any inaccuracies in these Ground Rules, and/or
 - any non-application or misapplication of the policies or procedures described in these Ground Rules, and/or
 - any inaccuracies in the compilation of the Index or any constituent data.

Section 2

Management responsibilities

2. Management responsibilities

2.1 FTSE International Limited (FTSE)

2.1.1 FTSE is the benchmark administrator of the Index¹.

2.1.2 FTSE is responsible for the daily calculation, production and operation of the Index and will:

- maintain records of the Index weightings of all constituents;
- make changes to the constituents and their weightings in accordance with the Ground Rules;
- carry out the periodic reviews of the Index and apply the changes resulting from the reviews as required by the Ground Rules;
- publish changes to the constituent weightings resulting from their ongoing maintenance and the periodic reviews;
- disseminate the Index

2.1.3 These Ground Rules set out the methodology and provide information about the publication of the Index.

2.2 Amendments to these Ground Rules

2.2.1 These Ground Rules shall be subject to regular review (at least once a year) by FTSE Russell to ensure that they continue to best reflect the aims of the Index. Any proposals for significant amendments to these Ground Rules will be subject to consultation with FTSE Russell advisory committees and other stakeholders if appropriate. The feedback from these consultations will be considered by the FTSE Russell Index Governance Board before approval is granted.

2.2.2 As provided for in the statement of principles for FTSE Russell Equity Indices, where FTSE Russell determines that the Ground Rules are silent or do not specifically and unambiguously apply to the subject matter of any decision, any decision shall be based as far as practical on the statement of principles. After making any such determination, FTSE Russell shall advise the market of its decision at the earliest opportunity. Any such treatment will not be considered as an exception or change to the Ground Rules, or to set a precedent for future action, but FTSE Russell will consider whether the Ground Rules should subsequently be updated to provide greater clarity.

¹ The term administrator is used in this document in the same sense as it is defined in [Regulation \(EU\) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds](#) (the European Benchmark Regulation) and [The Benchmarks \(Amendment and Transitional Provision\) \(EU Exit\) Regulations 2019](#) (the UK Benchmark Regulation).

Section 3

FTSE Russell Index policies

3. FTSE Russell Index policies

These Ground Rules should be read in conjunction with the following policy documents which can be accessed through the links below:

3.1 **Statement of Principles for FTSE Russell Equity Indices (the Statement of principles)**

Indices need to keep abreast of changing markets and the Ground Rules cannot anticipate every eventuality. Where the Ground Rules do not fully cover a specific event or development, FTSE Russell will determine the appropriate treatment by reference to the statement of principles which summarises the ethos underlying FTSE Russell's approach to index construction. The statement of principles is reviewed annually and any changes proposed by FTSE Russell are presented to the FTSE Russell Policy Advisory Board for discussion before approval by the FTSE Russell Index Governance Board.

The statement of principles can be accessed through the following link:

[Statement of Principles.pdf](#)

3.2 **Queries and Appeals**

FTSE Russell's complaints procedure can be accessed through the following link:

[Benchmark Determination Complaints Handling Policy.pdf](#)

3.3 **Index Policy for Trading Halts and Market Closures**

3.3.1 Guidance for the treatment of index changes in the event of trading halts or market closures can be found through the following link:

[Index Policy for Trading Halts and Market Closures.pdf](#)

3.4 **Index Policy in the Event Clients are Unable to Trade a Market or a Security**

3.4.1 Details of FTSE Russell's treatment can be accessed through the following link:

[Index Policy in the Event Clients are Unable to Trade a Market or a Security.pdf](#)

3.5 Recalculation Policy and Guidelines

- 3.5.1 Where an inaccuracy is identified, FTSE Russell will follow the steps set out in the FTSE Russell Index recalculation guidelines when determining whether an index or index series should be recalculated and/or associated data products reissued. Users of the Index will be notified through appropriate media.

For further information, please refer to the FTSE Russell recalculation policy and guidelines document which is available from the FTSE Russell website through the link below or by contacting info@ftserussell.com.

[Recalculation_Policy_and_Guidelines_Equity_Indices.pdf](#)

3.6 Policy for Benchmark Methodology Changes

- 3.6.1 Details of FTSE Russell's policy for making benchmark methodology changes can be accessed through the following link:

[Policy_for_Benchmark_Methodology_Changes.pdf](#)

3.7 FTSE Russell Governance Framework

- 3.7.1 To oversee its indices, FTSE Russell employs a governance framework that encompasses product, service and technology governance. The framework incorporates the London Stock Exchange Group's three lines of defence risk management framework and is designed to meet the requirements of the IOSCO Principles for Financial Benchmarks², the European benchmark regulation³ and the UK benchmark regulation⁴. The FTSE Russell Governance framework can be accessed through the following link:

[FTSE_Russell_Governance_Framework.pdf](#)

3.8 Real Time Status Definitions

- 3.8.1 Please refer to the following guide for details of real time status definitions for indices which are calculated in real time.

[Real_Time_Status_Definitions.pdf](#)

² IOSCO Principles for Financial Benchmarks Final Report, FR07/13 July 2013.

³ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.

⁴ The Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019.

Section 4

Index calculation methodology

4. Index calculation methodology

4.1 Index Value calculation

The Index Value is equal to the Index Base Value on the Index Base Date.

For each following Index Calculation Day t , the Index Value is calculated in accordance with the following formula, subject to Consequences of Disruption Event or Consequences of Extraordinary Event:

$$ICL_t = \sum_{h \geq h_0} \delta_{h,t} \times HVTI_h$$

Where:

$$\delta_{h,t} = \begin{cases} 1 & \text{if } h \text{ is the last Index Calculation Time of Index Calculation Day } t \\ 0 & \text{otherwise} \end{cases}$$

4.2 Intraday Index Value calculation:

The Intraday Index Value is equal to 100 on the Closing Time of the Index Base Date.

For each following Index Calculation Time h , the Intraday Index Value is calculated in accordance with the following formula:

If h is the first Index Calculation Time of an Index Calculation Day t :

$$HVTI_h = \max(0; HVTI_{h-1} \times \left\{ 1 + E_{h-1} \times \left(\frac{T_h}{T_{h-1}} - 1 \right) - tcost \times Abs(DriftedE_{h-1} - E_{h-1}) - fee \times \frac{Act_{h,t}}{360} \right\})$$

Otherwise:

$$HVTI_h = \max(0; HVTI_{h-1} \times \left\{ 1 + E_{h-1} \times \left(\frac{T_h}{T_{h-1}} - 1 \right) - tcost \times Abs(DriftedE_{h-1} - E_{h-1}) \right\})$$

4.3 Exposure and Target Exposure calculation:

The Exposure and Drifted Exposure are equal to the Target Exposure on on the Closing Time of the Index Base Date.

For each following Index Calculation Time h , the value of Exposure, Drifted Exposure and Target Exposure are calculated in accordance with the following formula:

$$E_h = DriftedE_h + fid_h \times \{\max(E_{h-1} - TH, \min(E_{h-1} + TH, TE_h)) - DriftedE_h\}$$

$$TE_h = \max \{ \min \left(\frac{TV}{S_Vol_{h-RVlag}} \times TrendOverlay_{h-RVlag} \times VAF_h, Levmax \right), Levmin \}$$

$$DriftedE_h = E_{h-1} \times \frac{T_h / T_{h-1}}{HVTI_h / HVTI_{h-1}}$$

Where:

$$fid_h = \begin{cases} 1 & \text{if Index Calculation Time } h \text{ is a Closing Time} \\ \frac{Eqn_h^1}{20} & \text{if } h \text{ is not a Closing Time and not within a Future Roll Window} \\ \frac{Eqn_h^2}{20} & \text{if } h \text{ is not a Closing Time and within a Future Roll Window} \end{cases}$$

4.4 Trend Overlay calculation:

The Trend Overlay is equal to 1 on or before the Closing Time of the Trend Overlay Base Date.

For each following Index Calculation Time h , the value of the Trend Overlay is calculated in accordance with the following formula:

$$TrendOverlay_h = 1 + \sum_{i=1}^{LBdays \times m} \frac{Signal_{h,i}}{LBdays \times m}$$

Where:

$$Signal_{h,i} = TrendSignal_{h,i,Kup} - TrendSignal_{h,i,Kdown}$$

$$TrendSignal_{h,i,X} = \begin{cases} Norm(d1_{h,i,X}) - 1 & \text{if } i \neq LBdays \times m \\ 0 & \text{if } T_h > X \times T_{h-i} \text{ and } i = LBdays \times m \\ -0.5 & \text{if } T_h = X \times T_{h-i} \text{ and } i = LBdays \times m \\ -1 & \text{if } T_h < X \times T_{h-i} \text{ and } i = LBdays \times m \end{cases}$$

$$d1_{h,i,X} = \frac{\ln\left(\frac{T_h / T_{h-i}}{X}\right) + 0.5 \times T_Vol_h^2 \times \frac{LBdays \times m - i}{252 \times m}}{T_Vol_h \times \sqrt{\frac{LBdays \times m - i}{252 \times m}}}$$

4.5 Synthetic Asset Value calculation:

The Synthetic Asset Value is equal to 100 on the Rolling Future Base Time.

For each following Index Calculation Time h , the Synthetic Asset Value is calculated in accordance with the following formula:

$$S_h = S_{h-1} \times \left\{ 1 + \left(\frac{T_h}{T_{h-1}} - 1 \right) \times TrendOverlay_{h-1} \right\}$$

4.6 Rolling Future Value calculation:

The Rolling Future Value is equal to 1 on the Rolling Future Base Time.

For each following Index Calculation Time h , the Rolling Future Value is calculated in accordance with the following formula:

$$\text{If } h \text{ is not within a Future Roll Window, } T_h = T_{h-1} \times \frac{U_h^1}{U_{h-1}^1}$$

$$\text{If } h \text{ is within a Future Roll Window, } T_h = T_{h-1} \times \frac{U_h^2}{U_{h-1}^2}$$

4.7 Rolling Future Volatility and Synthetic Asset Volatility calculation:

For each Index Calculation Time following the Trend Overlay Base Date, the Rolling Future Volatility and the Synthetic Asset Volatility are calculated with the following formula:

$$T_Vol_h = \text{Max}(Vol_h^s(T), Vol_h^l(T))$$

$$S_Vol_h = \text{Max}(Vol_h^s(S), Vol_h^l(S))$$

Where:

$$Vol_i^j(X) = \sqrt{\frac{252 \times m}{j \times m} \times \sum_{u=i-j \times m+1}^{u=i} \ln\left(\frac{X_u}{X_{u-1}}\right)^2}$$

4.8 Volatility Adjustment Factor calculation:

For each Index Calculation Time preceding the VAF Base Date, the Volatility Adjustment Factor is equal to 1.

For each following Index Calculation Time h , the Volatility Adjustment Factor is calculated in accordance with the following formula:

$$VAF_h = \max(\text{IntradayVAF}_h, \text{DailyVAF}_h)$$

$$\text{DailyVAF}_h = \min\{VAF_{\max}, \max(VAF_{\min}, \sqrt{\max(0, 2 \times \left(\frac{TV}{\sigma_h}\right)^2 - 1)}\}$$

$$\text{IntradayVAF}_h = \min\{VAF_{\max}, \max(VAF_{\min}, \sqrt{\max(0, 2 \times \left(\frac{TV}{\lambda_h}\right)^2 - 1)}\}$$

Where:

$$\sigma_h = \sqrt{\frac{252}{\text{voldays} - 1} \times \sum_{u=d(h)-\text{voldays}}^{d(h)-1} \left(\frac{ICL_u}{ICL_{u-1}} - 1 - \left[\frac{\sum_{u=d(h)-\text{voldays}}^{d(h)-1} \frac{ICL_u}{ICL_{u-1}} - 1}{\text{voldays}} \right] \right)^2}$$

$$\lambda_h = \sqrt{\frac{252 \times m}{\text{volintradays} \times m - 1} \times \sum_{u=h-\text{volintradays} \times m}^{h-1} \left(\frac{HVTI_u}{HVTI_{u-1}} - 1 - \left[\frac{\sum_{u=h-\text{volintradays} \times m}^{h-1} \frac{HVTI_u}{HVTI_{u-1}} - 1}{\text{volintradays} \times m} \right] \right)^2}$$

4.9 Intraday Future Value calculation:

For each Index Calculation Time h and relevant Future Contract, the Intraday Future Value is calculated with the formula:

$$U_h^{k=1,2} = \begin{cases} Sett_h^{k=1,2} & \text{if } h \text{ is a Closing Time} \\ \frac{1}{Eqn_h^{k=1,2}} \times \sum_{j=0}^{19} EqF_{h,j}^{k=1,2} & \text{if } h \text{ is not Closing Time and } Eqn_h^{k=1,2} \neq 0 \\ U_{h-1}^{k=1,2} & \text{if } h \text{ is not Closing Time and } Eqn_h^{k=1,2} = 0 \end{cases}$$

Where:

$$Eqn_h^{k=1,2} = \sum_{j=0}^{19} Eq\delta_{h,j}^{k=1,2}$$

$$Eq\delta_{h,j}^{k=1,2} = \begin{cases} 1 & \text{if } EqF_{h,j}^{k=1,2} \text{ exists} \\ 0 & \text{otherwise} \end{cases}$$

4.10 Index Calculation Time and j-th 1-minute interval

Each Index Calculation Time h of an Index Calculation Time t (with the exception of the 7th Index Calculation Time of such a day, which is a Closing Time) includes twenty consecutive one-minute intervals covering the time periods from {Window Start Time + $j \times 1$ minute} (included) to {Window Start Time + $(j+1) \times 1$ minute} (excluded) with $j = \{0; 1; \dots; 19\}$;

h	Window Start Time
1 st Index Calculation Time of the day	09:40 ET
2 nd Index Calculation Time of the day	10:40 ET
3 rd Index Calculation Time of the day	11:40 ET
4 th Index Calculation Time of the day	12:40 ET
5 th Index Calculation Time of the day	13:40 ET
6 th Index Calculation Time of the day	14:40 ET
7 th Index Calculation Time of the day	Closing Time

If Index Calculation Day is a partial trading day, the Index Calculation Time h for such a day will be:

h	Window Start Time
1 st Index Calculation Time of the day	09:40 ET
2 nd Index Calculation Time of the day	10:40 ET
3 rd Index Calculation Time of the day	11:40 ET
4 th Index Calculation Time of the day	Closing Time

4.11 Annotation:

t	Means an Index Calculation Day t ;
$t - 1$	Means the Index Calculation Day immediately preceding Index Calculation Day t ;
h	Means an Index Calculation Time h ;
ICL_x	Means, in respect of an Index, the Index Value on Index Calculation Day x ;
$HVTI_x$	Means, in respect of an Index, the Intraday Index Value on Index Calculation Time x ;
E_x	Means, in respect of an Index, the Exposure on Index Calculation Time x ;
TE_x	Means, in respect of an Index, the Target Exposure on Index Calculation Time x ;
T_x	Means, in respect of an Index, the Rolling Future Value on Index Calculation Time x ;
U_h^1	Means the Intraday Future Value of the Nearby Contract for Index Calculation Time h ;
U_h^2	Means the Intraday Future Value of the Second Nearby Contract for Index Calculation Time h ;
$EqF_{h,j}^{k=1,2}$	Means, in respect of the Nearby Contract or Second Nearby Contract and an Index Calculation Time h , the last mid price of such Future Contract on the j -th one-minute interval of such Index Calculation Time h ;
$Sett_h^{k=1,2}$	Means, in respect of the Nearby Contract or Second Nearby Contract and an Index Calculation Time h , the daily settlement price of such Future Contract on the Index Calculation Day for such Index Calculation Time h ;
$Act_{h,t}$	Means, in respect of an Index, the number of calendar days between the Index Calculation Day for Index Calculation Time h (included) and the immediately preceding Index Calculation Day (excluded);
fee	Means, in respect of an Index, the running fee specified in in Appendix B below;
$tcost$	Means, in respect of an Index, the cost specified in in Appendix B below;
TH	Means, in respect of an Index, the maximum change of exposure specified in in Appendix B below;
$Levmax$	Means, in respect of an Index, the maximum leverage specified in in Appendix B below;
$Levmin$	Means, in respect of an Index, the minimum exposure specified in in Appendix B below;
TV	Means, in respect of an Index, the target volatility level specified in in Appendix B below;
VAF_x	Means, in respect of an Index, the Volatility Adjustment Factor on Index Calculation Time x ;
S_Vol_x	Means, in respect of an Index, the Synthetic Asset Volatility on Index Calculation Time x ;
T_Vol_x	Means, in respect of an Index, the Rolling Future Volatility on Index Calculation Time x ;
m	Means, in respect of an Index, the number specified in in Appendix B below;
l	Means, in respect of an Index, the number specified in in Appendix B below;
s	Means, in respect of an Index, the number specified in in Appendix B below;
$RVlag$	Means, in respect of an Index, the number specified in in Appendix B below;
Kup	Means, in respect of an Index, the upper strike specified in in Appendix B below;
$Kdown$	Means, in respect of an Index, the lower strike specified in in Appendix B below;

VAF_{min}	Means, in respect of an Index, the minimum Volatility Adjustment Factor specified in in Appendix B below;
VAF_{max}	Means, in respect of an Index, the maximum Volatility Adjustment Factor specified in in Appendix B below;
$voldays$	Means, in respect of an Index, the number specified in in Appendix B below;
$volintradays$	Means, in respect of an Index, the number specified in in Appendix B below;
$d(h)$	Means the Index Calculation Day in respect of Index Calculation Time h
$Abs(a)$	$= \begin{cases} +a & \text{if } a > 0 \\ -a & \text{if } a \leq 0 \end{cases}$
$Norm(X)$	Means the standard normal cumulative distribution function applied to X ;

Section 5

Notice on data

5. Notice on data

- 5.1 FTSE Russell receives bid, ask, volume, and other data relating to specific financial instruments, underlying components, or underlying indices from third-party data vendors at the time such vendors make
- 5.2 the information available. This timestamp may not coincide with the exact moment at which the underlying event or transaction occurred.
- 5.3 In addition, all intraday data is sourced on an “as of” basis. Identical data obtained at a different time or on a different date may vary due to subsequent revisions, restatements, or adjustments made by the data vendor to the underlying source data.

Appendix A

Definitions

Capitalised terms used in this document but not otherwise defined are defined in the following table.

Term	Definition
Closing Time	Means, in respect of an Index and an Index Calculation Day, the last scheduled Index Calculation Time of such a day;
Intraday Index Value	Means, in respect of an Index and an Index Calculation Time, the value calculated in accordance with Section 4.2;
Exchange Rate	Means, in respect of an Index, an Index Constituent and an Index Calculation Day, the foreign exchange rate equal to the WM/R at 04:00pm London time, to convert the Index Constituent Currency to the Index Base Currency. If the currency of the Index Constituent is the same as the Index Base Currency, then the exchange rate shall be 1.
Exposure	Means, in respect of an Index and an Index Calculation Time, the value calculated in accordance with Section 4.3;
Futures Contract	Means E-Mini Russell 2000 (CME) Futures;
Future Roll Date	Means, in respect of a Future Contract, four Index Calculation Days before the expiry of such contract;
Future Roll Window	Means, in respect of a Future Contract, the time starting on (and including) the first Index Calculation Time of its Future Roll Date and ending on the last Index Calculation Time before the expiry of such contract;
Index Base Currency	Means the currency that the Index is calculated in
Index Base Date	Means the date for which the Index Base Value applies
Index Base Value	Means the arbitrary number (e.g. 100) set on the Index Base Date as the starting value of an index
Index Calculation Day	Means any weekdays on which: ▪ CME or any successor thereto is scheduled to be open for trading and settlement activities for the relevant equity future contracts, and ▪ NYSE or any successor thereto is scheduled to be open for business; If CME is scheduled to be a partial trading day for the relevant equity future contracts, then such Index Calculation Day will be considered a partial trading day;
Index Calculation Time	Means a time or period of time of an Index Calculation Day after which a calculation is performed. The first Index Calculation Time is the Rolling Future Base Time;

Term	Definition
Index Constituent	Means any financial instruments, underlying components or underlying indices as specified in the Ground Rules
Index Constituent Currency	Means the currency that the Index Constituent is calculated in
Index Value	Means, in respect of an Index and an Index Calculation Day, the value calculated in accordance with Section 4.1;
Intraday Future Value	Means, in respect of an Index and an Index Calculation Time, the value calculated in accordance with Section 4.9;
Intraday Index Value	Means, in respect of an Index and an Index Calculation Time, the value calculated in accordance with Section 4.2;
Nearby Contract	Means, in respect of an Index Calculation Day, the Future Contract whose expiry is the soonest after such a date;
Second Nearby Contract	Means, in respect of an Index Calculation Day, the Future Contract whose expiry immediately follows the expiry of the Nearby Contract;
Synthetic Asset Value	Means, in respect of an Index and an Index Calculation Time, the value calculated in accordance with Section 4.5;
Target Exposure	Means, in respect of an Index and an Index Calculation Time, the value calculated in accordance with Section 4.3;
Trend Overlay	Means, in respect of an Index and an Index Calculation Time, the value calculated in accordance with Section 4.4;
Trend Overlay Base Date	Means 04 August 2009;
Rolling Future Base Time	Means the first Index Calculation Time of the Rolling Future Base Date ($h = 0$) ;
Rolling Future Base Date	Means 05 June 2009;
Rolling Future Value	Means, in respect of an Index and an Index Calculation Time, the value calculated in accordance with Section 4.6;
VAF Base Date	Means 30 March 2010;

Term	Definition
Disruption Event:	
Futures Disruption Event	Means, in respect of a Futures Contract, any of the following events: (a) Price Failure: the non-publication of the daily settlement price of the Futures Contract (b) Trading Disruption: a material suspension, limitation, disruption of trading, a halt in trading imposed by the relevant exchange on the Futures Contract (c) Exchange Disruption: the exchange upon which the Futures Contract trades is affected by an event that disrupts the ability of market participants to effect transactions in, or obtain market values for such Futures Contract (d) Early Closure: the unscheduled closure of the relevant exchange
Disrupted Day	Means an Index Calculation Day on which a Disruption Event has occurred or is continuing
Disruption Event	Means a Future Disruption Event that FTSE Russell deems material
Consequence of a Disruption Event	If any of the event(s) below occurs, the following fallback rules or disruption handling treatments will be applied by FTSE Russell: ▪ Price Failure: FTSE Russell will use the Intraday Future Value calculated for the previous Index Calculation Time and will set fid_h at 0 for such Index Calculation Time and if such event occurs on a day preceding the Future Roll Date, such Future Roll Date will be postponed to the next Index Business Day. ▪ Early Closure: FTSE Russell will treat the impacted day similarly to a scheduled partial trading day with the last Index Calculation Time for such a day being the Index Calculation Time preceding the time of Early Closure. FTSE Russell may also: (a) defer or suspend the calculation and publication of the Index until the next Index Calculation Day which is not a Disrupted Day; or (b) determine a good faith estimate of any affected or missing input data required to calculate the value of the Index; or (c) postpone the rebalancing of the Index Constituent(s)
Extraordinary Event:	
Futures Extraordinary Event	Means, in respect of a Futures Contract, any of the following events: (a) the Futures Contract is no longer negotiated on the relevant exchange (b) the Futures Contract is replaced by a successor product that is not acceptable to FTSE Russell (c) a material change in the expiry calendar, formula or method of calculating such Futures Contract (d) the cancellation of the Futures Contract
Extraordinary Event	Means an Future Extraordinary Event that FTSE Russell deems material

Term	Definition
Consequence of an Extraordinary Event	FTSE Russell may: (a) re-weight or substitute the Index Constituent(s) impacted by the Extraordinary Event (b) replace the impacted input data with new data with similar characteristics (c) adjust the value of the Index, or make any other appropriate amendments to the Index (d) modify this Ground Rules (e) terminate the Index

Appendix B

Parameters

Index details

Index name	Index Base Currency	RIC	Ticker	Index Base Date	Index Base Value	Index Launch Date
Russell 2000 Futures 35% Volatility Compass 6% Decrement Index	USD	.R2FVC35D	R2FVC35D	05 October 2009	100	18 June 2026

Index parameters

TV	35%
Levmax	500%
Levmin	0%
fee	6%
tcost	0.01%
Kup	99%
Kdown	94%
RVlag	1
l	42
s	5
m	7
voldays	120
volintradays	21
LBdays	21
VAFmin	100%
VAFmax	130%
TH	25%

Appendix C

Further information

Further information on the Russell 2000 Futures Volatility Compass Index Series is available from FTSE Russell. For contact details, please visit the FTSE Russell website or contact FTSE Russell client services at info@ftseRussell.com.

Website: <https://www.lseg.com/en/ftse-russell>

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